Interview with Joseph F. Donelan Jr.

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

ASSISTANT SECRETARY JOSEPH F. DONELAN JR.

Interviewed by: Charles Stuart Kennedy

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Q: Mr. Donelan, what attracted you toward the State Department? In the first place could you give a little background about yourself, your education and how you're concerned with foreign affairs?

DONELAN: I was born in New York City, and, of course went to school there. I was one of those depression kids; I came out of high school, managed to go to City College of New York for one year, but then recognized that one must go to work. My first job was in the New York office of Auchincloss, Parker & Redpath, whose headquarters was in Washington, DC The senior partner was Hugh D. Auchincloss, stepfather of Jackie Kennedy, etc. The firm did a tremendous amount of business with Latin American governments. As a matter of fact, it is not an exaggeration to say that, at that time, circa 1936-37, Auchincloss had accounts with most of the presidents of most of the Latin American countries.

Q: What sort of work were you doing?

DONELAN: I started out as a runner, a messenger if you wish- carrying securities all over the financial district; later moved into the “back office” which handles funds and processing of sales of securities, and in the five years time became pretty expert in the operation and

administration of a securities firm. We had one partner, who supervised most of the Latin American accounts, had spent most of his early life in Latin America and of course was fluent in Spanish. My language at the time was Spanish. I had studied it in high school and that first year in college. I liked the language and had friends who were native speakers. I was very fortunate working for this partner, did translations for him, learned about estates and trusts, and investment documentation - equities, foreign government bonds, etc. It was an exciting period for me and I think that's what did it, just the idea of those countries, their finances, trade balances and external debt, people, and problems which unfortunately are even more serious today than they were then.

Q: Did you take an interest in geography, for example?

DONELAN: Geography is inherently fascinating not because of where “x” is, but because of people and cultures which geography introduces. While I was at Auchincloss, I was still going toschool at night. So at night I was taking economics and administration and I took a whole stream of subjects at City College, which was great because you could take anything at night that you wanted. I studied international law, shipping, maritime insurance, accounting, and all that sort of thing. The combination of work and studies just whet my appetite for international affairs, and then of course, I went off to the Army.

Q: World War II.

DONELAN: World War II. In the closing days I found myself sitting it out on Okinawa. Plenty of time to contemplate while waiting to get a ship home, and the question was “What am I going to do?” I'd cut my ties, really, with Wall Street. What I discovered over time was that while I had marvelous training and good experience, all the young men that came in from Princeton and Harvard, and Yale, immediately sent out these big long lists to former classmates, and presto, they became account executives.

But anyway, this was the genesis of my interest in the Foreign Service.

I came back to the States in late 1945 and to Washington. My wife was working here; I had two children at the time; and I got a job in what was then the Army Air Force.(It didn't become the Department of the Air Force until 1947).

I enrolled at Georgetown University, School of Foreign Service, and went to work at the Pentagon as a management analyst and was there from '45 to 49'. The idea was simple, make a living, finish school, and then get a job in the State Department

Q: So you had this in mind the whole time?

DONELAN: Yes, in effect, and I think it was generated principally by working with Auchincloss, and my military service in the Pacific. They were like a glimpse through a key-hole, of what's way out there, in terms of all the countries and foreign affairs plus a sort of innate interest and curiosity about people and things. You went to a new country. You met new people, you read everything you could about the country and its culture, and hopefully you got to understand the people and their country. I went over a couple of times to the old Walker Johnson Building. Which then was, as you know, where the Department's personnel office was. I really didn't know anyone, nor really what I might do in the Foreign Service, so I talked to as many people as I could to find out what it was all about. An Air Force Colonel returning from overseas was assigned to the management office where I worked in the Pentagon. Henry Ford had been in the Air Force mostly in administration and management. He was on his way to the State Department. So it turned out, yes, I knew one person in the State Department Then a Warrant Officer came in and was assigned to the office, a man by the name of Kyle Mitchell. He was returning to his former employment in the State Department

Q: He inspected me many years later.

DONELAN: So now I knew two people in the State Department. But anyway, I had told Henry of my interest, and as I said, had been over to see people and I'd submitted

applications. And essentially what happened in February 1949 or some weeks before that, I had a call. Henry said: “How would you like to switch your job and come over?” So I went over to the Department of State.

Q: But what was your first job? Where were you working?

DONELAN: First thing, I was assigned to what was called the Foreign Service Planning Division. It had a section which was involved in budget planning, formulation and execution. I started working on a combination of departmental and foreign service budgets and my specific client was the Chinese Affairs Division of the Office of Far Eastern Affairs. If you remember in '49 it was rather exciting in China, so I had almost immediate fulfillment of my interest and enough work for two people. In those days the system was, I believe, better than it is today - more direct and fewer layers of people. The Budget Office was part of the Foreign Service Planning Division and controlled post funding and the local employee complements for all posts overseas. As the management analyst I controlled the local employee complement for the Chinese posts and the funding for the positions.

I worked directly with the Chinese Affairs Division. Livingston Merchant, I guess, was the chief at the time. But it was fascinating because I actually wrote the budget in support of China affairs and talked to the chief for his guidance, and other officers who were working intimately in these Asian and China affairs and went over the draft budgets with them. It was much simpler and straightforward in those days. Then when we went to OMB (Office of Management and Budget), at that time called the Bureau of the Budget (Executive Office of the President), to defend it, the senior officers would come along, but I was always there. I was responsible. In the meantime, of course, I had been putting together the justifications for staffing (Americans and Local) and post funding for the next fiscal year. I then defended it internally in the Department's Budget Office, and then the product went, of course, to BOB and then on to the Congress.

Q: I have just finished, about a month ago, sitting in on an interview between Marshall Green and Philip Manhard, who was a vice consul in Tsingtao. The situation was falling apart. You were dealing with a budget situation where the broad picture was that the communist armies, the Red Army, was coming and picking up. We had a number of posts there. We weren't recognizing the Communists. They weren't recognizing us. Yet our posts were staying on. It was a time of great flux. How did you and Livingston Merchant figure out what the hell we were going to do?

DONELAN: First I should point out that it was Livingston Merchant's job to figure out and make recommendations as to what the US was going to do; I had the relatively simple part of working to provide the resources necessary to support the policy decisions. In situations like that you tried to protect the budgetary or funding level that you had as well as make allowances for what might happen, e.g., costs for evacuation of personnel. We had to cope with the changing situation as we started getting pushed out of those places. What had been a fairly large operation financially really required less monetary resources as the posts closed down; the thing you had to do was to have flexibility in how to use the money you had.

There was one little side light which I'm not sure many people are aware of. Communication in China between posts was by radio. The radio operators were usually Chinese. You could never tell anybody anything anywhere in China without almost instantaneously informing every local employee in China, exactly what was going on (at least administratively). This worked positively and it worked negatively. I forget the number of posts offhand, but the fact of the matter was that we had few options and got pushed out as the Chinese Communists took over. Money, per se, was not a limiting factor at that time.

Q: What was sort of the operations mode at the time? Was there a feeling of, “Gee, this is a real problem. Anything you want, fellows, we'll do for you within limits”? Or were you

under sort of normal constraints that one thinks about as being, “Well, you sure you really need this?”

DONELAN: There was no doubt in anyone's mind as to the seriousness of the situation, and I think everyone acted accordingly; it was not business as usual, and as far as I can recall no one ever suffered from an unwillingness of the Department to use all its resources. One non-monetary situation I recall occurred when the Commies took over in Shanghai. Our people at the Consulate General were placed under very, very serious restraints by the Chinese. We had to cut down the staff and had to get rid of the local employees. In these days there are all sorts of rules and ramifications with respect to fringe benefits and termination pay and all that sort of thing, but believe me, in 1949 Foreign Service Regulations were rather sparse when it came to any kind of benefits. And the Communist authorities were demanding that such benefits be paid to the locals being forced out of the Consulate. Since there were no regulations covering termination pay, Ed Lyerly, a top-flight lawyer in the Department Legal Adviser's Office and I, sat down and a wrote a regulation which authorized the payment of termination pay for local employees under certain conditions which just happened to be those extant in Shanghai. It went to the Secretary and he signed off on it and we didn't publish it for a long time. But essentially we paid termination pay to those Chinese employees we separated. And this was under pressure from the Red Chinese. We probably would have made some sort of ex gratia payment when separating employees, but in effect they were pushing. So we actually made it official and made it legal and wrote the regulation and paid off.

Q. I don't know whether this pertains or not, but the fact you said it wasn't published, I recall when I was in Yugoslavia in the 1960's that there were some people there who had been arrested, local employees in the early 50's or really before that, about the same time you're talking about, who were told, I have been told, that if they got out of Yugoslavia they would be entitled to some payments. But they couldn't be paid while they were in Yugoslavia. I'm not sure of the ins and outs of this. This was being kept rather closely

guarded. But if they could ever get out, this was still at a time of some constraints. This may be part of your regulation.

DONELAN: WW II and the Iron Curtain begat somewhat similar problems, but I don't believe the people you mention were covered under that regulation which was narrowly written specifically to cover the situation in China. There were a significant number of people who had served the US government long and well in some of the European embassies. Many of them just drifted away or died or whatever. But there were a fair number of them who did receive payments. In some countries, and I believe later, Yugoslavia was one of them, former US government employees were allowed to receive checks. But there was a quite solid basis for compensation since most of the old time foreign national employees of the Foreign Service were employed under Civil Service regulations, and were entitled to back pay, and many to annuities. In addition however there were some cases of widows who were destitute, and word would come in, and payments were made to these people. This type of payment could be effected by the Department from an appropriation which had been established in the time of President George Washington for “emergencies in the diplomatic and consular service”.That's a long way round to answer your question, but the fact is, I think the Department did quite well when the chips were down and something had to be done.

Q: Going back to when you were in the fiscal and the budget projecting business, did you find — we're talking about the 1950's Foreign Service — that they were fairly good? Obviously a China situation, things were falling apart, and who the hell knew what was going to happen? But in other area, did you think that those that were making their projections and making their budgets, were pretty good or was the system working fairly well?

DONELAN: In the early 1950s the Department's budgetary system was pretty well established but it was a fairly laborious process. In April of each year the posts received a “budget call” from the Department which required the submission of reams and reams

of information and paper, supposedly reflecting their staffing and monetary requirements for, not the upcoming fiscal year which would begin in July l, just three months away, but for the next fiscal year, which would begin fifteen months later. It was extremely difficult for these mostly small foreign service posts to forecast their staffing and monetary needs six months in advance, much less fifteen months away. Over time the process was simplified and radically improved, and the workload on thindividual post sharply decreased. Essentially, what we arrived at was an “exception” system under which the post justified what they thought they needed right now, and not fifteen months away. The overall flow however was the same: the Department central budget office (as did every agency) received broad limits on money and people from the Office of Budget. The Department budget office tasked all of the geographic offices, later bureaus and the functional offices (Office of Econ Affairs, Passport Office, etc.), field posts were directed to submit their requirements for resources. The flow then reversed back to the central budget office, which put together the budget for the Department as a whole, along the line receiving the Secretary's imprimatur. Officials from the Department with the budget office defended their request before the Office of Budget. The Department's budget became part of the President's budget submission to the Congress and subsequently, hearings were held before the appropriate Committees of the Congress, bills passed and money received by the Department for its world-wide operation.

In short the system worked quite well; no one ever thought his area got a fair share; the central budget office felt the OMB discriminated against the Dept.; the Congress were all skin-flints; but somehow the job got done, and the Foreign Service survived.

Q: Well, moving on - After your initial assignment in the Dept., you were assigned to the Embassy in Paris for some years, returned to the Department for another assignment, and then were appointed to go to Nagoya, Japan as the principal officer. How did these subsequent assignments come about?

DONELAN: After my initial assignment to the Foreign Service Planning Division, I spent a short time as Budget Officer in the Bureau of Latin American Affairs, and then went to Paris in January 1952 as Budget & Management Officer. I became an FSO in Paris in 1955 under the Wriston program and was transferred back to Washington in 1956. I must say that as a brand new Foreign Service Officer I would have preferred continuing overseas, but we learned early on in those days, that the commitment was to go where the Department directed.

Q: So your first overseas post was Paris?

DONELAN: Paris, right.

Q: and then you came to the Office of Finance. What were you doing in the Office of Finance? This is when?

DONELAN: 1956. To be Director of the Office of Finance.

Q: What were your responsibilities.

DONELAN: As you know the Department had a central Budget Office which consisted of two arms; one for the Departmental and Foreign Service budget and the other one for Finance. The finance people were the bookkeepers and accountants for the Department of State and the Foreign Service. Finance administered all fiscal and accounting regulations; updated and revised systems and devised new systems of funds management and accountability. It was the technical fiscal operation of the Department. I came back as Director of that office after having been Budget & Management Officer in Paris for four and a half years. The Paris job had been a great experience, and while I would have preferred another overseas assignment, this Finance job really offered opportunity to make changes in the Department's operation. In fact my first initiative was looking back overseas in the direction of fiscal operations in the European embassies. And the idea was predicated on the fact that the PTT (Post, Telegraph & Telephone) government monopolies in the

European and North African countries were extremely efficient in moving the mail, in fact a letter could be mailed one day in Paris and be received in anyone of the other countries by the next day, and the French were particularly efficient as I recall - you could mail a letter in downtown Paris in the morning and be quite certain that it would be received at a suburban address that same afternoon. The second major consideration that Paris was in itself a large operation, for a long time the largest Embassy in Europe, it had an available skilled and educated population, and the French nationals already employed by the Embassy were very able and clever people.The idea was very simple, instead of all these embassies and offices in Europe madly writing checks, paying bills, and engaging in foreign exchange transactions with local banks, centralize the operation in Paris and get the benefit of the economy of scale and the skilled workers available. I assigned Dennis Collins, who had worked with me in the Paris budget and fiscal operation, to the project. Denny who was fluent in French and had served in several European countries was a natural for the job, visiting a number of the posts, confirming the efficacy of the PTT systems in the various countries, and discussing the possibilities with our colleagues in Europe. As a result of his work we decided we could set up a regional finance center in Paris.

Q: Well, in your making the decision, I'm a little interested, there must have been some turf battles or crockery broken when you move an office from one place to another. How did this sit?

DONELAN: In all my years in the Foreign Service whenever there was a squeeze on resources, the first place Ambassadors and senior personnel in the Department looked to take cuts, was in the administrative area. It was natural to protect the so called “substantive” side of foreign operations, and since the raison d'etre of “administration” is to support program operations, it's hard to fault that approach, even if you happen to be in charge of administration. In fact I always considered it a basic responsibility

of administration to press constantly for the most economical and efficient methods of operation.

In this case we were coming up with very substantial personnel reductions for all the posts in Europe and north Africa, probably an average of one or two American positions and three or four foreign national positions.

Q: And that's about it.

DONELAN: Yes, and there were very substantial initial net savings, for a very modest investment of people and equipment in Paris, and more over the years.

RFC maintained bank accounts in all the currencies of the serviced countries; issued salary checks for Americans and foreign national employees - all types of allowance payments for American employees - paid all recurring bills for the missions themselves and the employees - rent, light, heat, power, local country purchases, etc. All of this for starters. Denny went back to Paris and ran the operation. He was inventive and innovative. Over the years he developed the system and operation far beyond my original concept. And you will recognize how unusual this is, but the Department finally came to understand the uniqueness of Denny's position and gave up trying to transfer elsewhere. Denny finished his career in Paris.

Q: Did you have any particular difficulties in the Department, in your office? Or did you find that what you were doing was not fairly routine work?

DONELAN: The routines of the operation pretty much took care of themselves, regulations were written and changed, the systems people were pretty good about coming up with improvements and from time to time the office came up with real advances. Another facet of my job was liaison for the Department with the Office of the Comptroller General which as “the watchdog of the treasury” was responsible to the Congress, and the Treasury Department which of course was the source of all funds appropriated by the Congress.

People were funny of course, and whether we recognize it in ourselves or not all of us resist change almost automatically. There was always some selling to be done before launching something new and different. You won some and you lost some. I had informal discussions with some banks about the idea of setting up a totally free checking accounts for all American employees in the Foreign Service; we in Washington would then write all American salary checks and automatically deposit the funds in a selected bank, splitting up the business among banks interested in providing free service. Would have been a great saving for the Dept., I always kept a checking account myself in Washington, the banks thought it was a great idea, but it bombed out. People in those days just wanted to receive their checks in their little hot hands and that was that. This type of thing is now commonplace. Another thing whose time had not quite come.and this idea was several years later was to use an “exception” method of fiscal reporting. In other words instead of sending in voluminous accounts to the Department through the pouch which was the custom, taking forever....would be to cable short excerpts which simply gave pluses or minuses against the one or more allotment accounts which the posts had available. Actually about a half dozen or so Foreign Service posts, the large ones, given their size and staffing, expended most of the funds...so if you got wire reports from these posts you knew where you stood financially...most of the other posts were so small, even if you didn't hear from them it wouldn't matter all that much. The communications system couldn't handle the load...nowadays it would be a piece of cake. But it was fun, even so dry an area as fiscal reporting.

But, and I think this has been part of my satisfaction, generally when you came up with something new and something different people would accept it and work with it.

Q: So the innovation was usually accepted if it was demonstrated?

DONELAN: That's right, and actually it was a great time to be in the Department and the Foreign Service. This was reasonably in the post WWII period and you remember that prior to WW II the Department of State and the Foreign Service, was a very small

organization. We owned practically no real estate abroad, very few embassies, and several of the first ambassadorial residences abroad were gifts from American citizens, I think Doris Duke gave us the old ambassadorial residence in Paris. WW II triggered a great many US government operations abroad, the operation of the Marshall plan alone brought at first hundreds and then several thousand American and foreign national employees onto the payroll; then came USIA, the information program which became integral to overseas operations. ...and pretty soon, Treasury and Customs people were abroad, Agricultural, etc. ... You know when I was in Paris, I believe twenty some US government agencies were represented...of the Embassy population, only 1 in 5 was a State Department employee, but the Department of State was charged with providing administrative support to most of these agencies.

So it was in this period that the Foreign Service had to learn all about administration. The Department actively recruited experienced administrative personnel; that's why people like Graham Martin came to work for the Department of State. Graham had been a Colonel in the Air Force and previously with the Public Health Service at the National Institutes of Health.

I mentioned Henry Ford earlier. Henry had worked for the Bureau of the Budget before the war, but was recruited by the Department after service in the Air Force. When I came in in '49 not the, you know the tail end, but close to the tail end of recruiting, the Department was learning the hard way about administering large groups of people in many strange places.Again, a long way round, but yes, innovation was accepted.

Q: So you weren't having to, in a way, beat down an entrenched administrative bureaucracy? There really wasn't one there?

DONELAN: You're absolutely right, and quite candidly a lot of free wheeling was possible, and you got into funny positions sometimes but there weren't a lot of people breathing down your neck when you were in charge of something. They came later particularly when

and if something went awry! And sometimes the things you ran into were fascinating; I remember the then head of the Passport Office, the famous old lady. .....

Q: Ruth Shipley.

DONELAN: Yes, Ma Shipley. As Director of Finance, I watched the flow of things pretty carefully, like for instance the flow of checks from some offices which normally received payment for services. A funny thing had happened. The flow of checks from the Passport office had stopped. No answers. We finally got someone to look in her desk. She had stacks and stacks of checks that had come in. They had been addressed to her, and delivered to her, and she stuck them in her desk drawer. And, of course the fundamental rule in government (as in any good business) when you get a check deposit it right away. Well, she had some checks, some of them were as I remember several months old, and perhaps one or two several years old. But anyway that's beside the point. You found little pockets like this once in a while but generally speaking, I feel that the Department was an exciting place to work because if you came up with something good, people were really quite willing to try it.

Q: Well, you came in with sort of a war-trained generation, too. I think this was another thing.

DONELAN: Yes, it was sort of, “We can do it”. We can make it better. Maybe we couldn't but we sure as hell thought we could.

Q: All right. I'd like to come to Nagoya. You were assigned as principal officer to Nagoya in 1958. How did that come about?

DONELAN: I told you about being a new FSO?

Q: You're saying a new FSO because prior to that you.....

DONELAN: When I went to Paris I became a Foreign Service Staff Officer with Attach# status; prior to that and when I was hired for the Foreign Service Planning Division I was a departmental employee.

Q: Civil Service then?

DONELAN: Yes, right. Then I was made an FSS to go to Paris, became an FSO-3 in Paris, and then returned to the Department

Q: Under the Wriston Program.

DONELAN: That's right. I took the short route to become an FSO, Foreign Service Officer; the usual investigations, the essay and appearance before a Board of senior officers from the Embassy. I'll always remember the Chairman of the group, was Fred Lyons, who at the time was Supervising Consul General in Paris - that is in addition to the Embassy responsibility he was responsible for the oversight of the operation of all of the Consular Offices in France. Did you ever know him? He was fine gentleman of the Old School. (I'm not sure if he really approved of the Wriston program, but I made it).

Q: No, I never did know him.

DONELAN: After I was back in the Finance job for about a year and a half, although still technically Director, I went to work for Bill Hall, who was THE Budget Officer for the Department My particular assignment was to work with Ambassador Loy Henderson who then was Deputy Under Secretary for Management, who did all the opening statements on the budget, before the respective Congressional Appropriations Committees. Specifically I prepared supporting documents, briefing book, and helped draft statements for his presentations. I say helped draft statements, because he plunged right in himself, nothing hands off about him. One little quirk, he abhorred “split infinitives” and I never more consciously split an infinitive after working with that marvelous man. In time I got to indicate to him my preference for an overseas assignment, and given his long service

abroad he was sympathetic to the idea that a new FSO should rack up overseas time instead of being in the Department Findley Burns was in personnel at the time (guess he went from there to be Ambassador to Jordan) but I let him know that if something came along I didn't think Mr. Henderson would object to my leaving. Shortly thereafter Outerbridge Horsey (one of the famous foreign service names) who was Deputy Chief of Mission in Tokyo came back to the Department on consultation. Seems he was looking to fill two jobs in Japan: one was the Executive Officer slot at the Consulate General in Kobe, the other was the Principal Officer job in Nagoya. Findley of the agile mind, said he might talk to Joe Donelan. Outerbridge Horsey said, " Is he a Japanese language officer?" And in his best Findleyesque style, the answer was that he didn't know, but he thought my French was pretty good and maybe my Spanish was okay also.

Horsey did call me and I went to see him. He said he'd looked at my background and history and he said: "I don't know. There are two jobs", and then he described what I had heard about Kobe and Nagoya. He then asked me if I had a choice, which position would I select. I told him that if I were he, in looking at my background one might conclude that I could do the job in Kobe but that my personal preference was the Principal Officer job in Nagoya, where I would have full responsibility for the operation.

Q: So you opted for the PO job. Then what happened?

DONELAN: In about eight weeks, incredibly, along came a cable from Ambassador MacArthur saying he would accept me for the Nagoya job. I almost couldn't believe it.My transition from the Department was pretty smooth; Bill Hall as always was most cooperative, particularly when it meant a step up for one of his associates - and this was a real switcheroo, basically an administrative type jumping over to running a Consular operation. Moreover Bill Crockett by this time was back in the States from Rome.

Q: This is William Crockett?

DONELAN: Yes this is William J. Crockett, who had just completed his assignment in Rome as Counselor of Embassy for Administration to be deputy to the Deputy Assistant Secretary of State for Budget and Finance, William O. Hall, who some years later became Ambassador to Ethiopia.

Q: I'd like to just ask, Loy Henderson was such a major figure in the post-war Foreign Service, working with him, what was his operating style would you say?

DONELAN: Well, his operating style did not necessarily represent the very latest in management techniques, but it was in the best tradition of the Service. He really knew the Foreign Service and the people in it, and that of course is fundamental to being a good manager. He made decisions and he stood behind those decisions; he worked like hell, and when there was something to be done he stayed with it. He was a very sincere man, and of course the Foreign Service was his life. As I recall he came into the Department and the Service right after finishing his university studies. He was very intense but when he appeared before the Congress justifying the needs of the Department people listened to him. He didn't always get what he wanted but it wasn't for lack of trying. I remember how John Rooney on occasion would needle him just to get him going. Then he's stop and say “Now John, now John”

Q: John Rooney was the .....

DONELAN: Was the Chairman of the Subcommittee of the House Appropriations Committee, a Democrat from Brooklyn, N.Y. However he had a deep respect for Mr. Henderson. As an aside, John J. Rooney has really been maligned by some people in the Department and I believe quite unfairly. No question but he was tough, but he had a proprietary interest in the Department and once he took an appropriations bill to the floor, he would fight fiercely for what he thought was right. He was on that Committee for years, and a lot of people in the Department didn't know as much about the Foreign Service as Rooney did. And let's face it the Department didn't always put it's best foot

forward. Incidentally, I always got along with Rooney, and that came in handy in later years. I don't know it to be a fact but when President Nixon submitted my nomination to the Senate for it's “advice and consent”, I believe John Rooney, the Democrat, supported my appointment.

Before coming to Congress Rooney had been an Assistant District Attorney in Brooklyn. I believe some of his claim to fame was in the prosecution of a very tough water-front gang known as Murder, Inc. which was trying to control the New York water-front. It was a time when the port was beginning to boom with lend-lease to Britain and later to Russia. It was during that period that I was working in Wall Street, but I was moon-lighting on the docks in my spare time. And being a born New Yorker didn't hurt either, so I did always get along well with Rooney. (I seem to specialize in asides).

Q: Oh, no, I think that's interesting. But back to Nagoya, and what were your principal duties?

DONELAN: As you know a Consulate is pretty much a branch office of the Embassy, with a political, economic-commercial and consular functions, but with in the case of Nagoya considerable emphasis on economic and commercial work, and of course all usual in the consular line - service to Americans,(very few in the area), issuance of visas, handling ships papers, etc. There were fourteen people on the staff, six Americans and eight foreign national employees. We also had a branch USIS office in Nagoya. My personal responsibility in addition to overseeing the work of the office was in political reporting, such as it was, and maintaining contacts with the Japanese business and government community. Nagoya in addition to being the third largest city in Japan at the time, was the headquarters of the Aichi Prefecture with a Governor resident in Nagoya. It's port was the principal port of entry for American raw cotton bought by the Japanese.The Embassy would task all the Consulates at different times and for different areas of reporting, for example, labor unions encouraged under the occupation were starting to feel their

oats..and the Embassy would call for a country-wide round-up on what was going on, what was happening or who was doing what to whom in local elections.

Q: Was it easy to report in Japan in about the late 50's? Did you have fairly easy access or not?

DONELAN: Generally yes, the atmosphere was right, business was booming, the Toyota Auto had just begun exporting cars to the States, with I might add not too great success at first, Noritake shipping to some 76 countries, but the US was the best customer; the plywood industry was just getting into stride; Japanese were selling things to the US and they were buying things from the US. It was fascinating. Having been in the Pacific during WW II (Okinawa) I went to Japan with this mental image built in, and when I talked to these people and they were so pleasant and so friendly I used to think, “What is he really thinking? What is going through this man's mind?” Nagoya was 95% fire bombed in the final months of the war (the site of the Japanese aircraft industry). I wonder how many of his relatives were killed? You had to think a lot.

But an incident occurred, a natural disaster, the result of which gave me incredible entry in the community. The worst typhoon in Japanese history swept up the Ise Bay, almost crushed the city of Nagoya, and in passing flooded the port areas, up-rooted trees, power lines, smashed thousands of homes and killed some 6,000 people. As Consul I found myself in charge of the American relief operation.

Q: That was in '58?

DONELAN: This was in '59. We had gotten to Japan in August of 1958, and it was now May 1959. It's a long story. But power was out for days, houses down the street from me were sliced in half; my car was immobilized under some huge trees which fell, and I got to the Consulate the morning of the first day by bicycle. I got in touch with the Embassy through the Japanese Tactical Air Wing Communications operation in nearby Gifu. Relief supplies were in by NorthWest Airline; Admiral Kivette who was the commander of the

Sixth Fleet sent in a small aircraft carrier the USS Kearsage which was on its way for duty in Japan; we had forty eight American helicopters, Army, Navy, Marine, Air Force working off of a huge field in front of the City Hall; the Kearsage sent boats and medical parties out over the flooded areas, the choppers dropped food, blankets and fire wood to the little islands of people on the clumps of land which had been the high ground, and they picked up hundreds and hundreds people and lifted them to safety. They did the work and the American Consulate got the credit. And the credit line was almost inexhaustible.

Q: I notice you received a superior service award. Was this because of the ...

DONELAN: That was just one of those things. A piece of paper the Department gave you.

Q: Well, they don't pass them out too often.

DONELAN: That was basically what it was all about, yes.

Q: Well, how were your relations at the post with Tokyo? Did you find that it worked well or not so well?

DONELAN: I think the relationships were really good. I went to Tokyo infrequently, but I preferred Nagoya to Tokyo anyway. The Embassy would call us in for special occasions, like briefings and preparations for special Trade Missions, who then came to our districts. Ambassador MacArthur came for a visit for a few days and it was a whirlwind, but successful. He was very popular being a namesake of the General, but extremely capable in his own right. After MacArthur left, Reischauer became Ambassador, a very distinguished man, who knew more of the Japanese language than many Japanese.

I had one big battle with the Dept of Commerce in Washington who seemed to think that the Japanese were never right, but the Embassy, and our Minister for Economic Affairs really supported my position and you can't ask any better than that.

Q: That was the Economic Counselor in Tokyo?

DONELAN: Actually he had ministerial rank. He's long since retired but I believe he's still with Brookings, here in Washington. But, the fact is, the support was excellent.

Q: I'd like to move on. You worked a relatively short time as Consul General in Tokyo. Was that long enough to talk about really before you moved to New Delhi?

DONELAN: Not really. In fact I've always said it must have been the shortest tenure as Consul General on record. It's probably worth noting that the Foreign Service Inspectors came to Nagoya to inspect the operation. They said three and a half years in Nagoya was enough and I should move on to a larger operation. I really didn't want to go. Nagoya was the greatest experience in my career; I took a Japanese lesson every day; gave speeches all over the place; traveled throughout the Consular District; went to factories; plant openings. The Inspectors meant well, but I thought now they're moving me just when I really know this place.

We went on home leave, and then on to Tokyo. We were there some weeks, and on the day that Mrs. Donelan finally cleared the last of the excelsior and packing material out of the apartment, a Personnel Officer in the Department phoned the Embassy. Now in those days for the Department to make a phone call to Tokyo, you knew there was big trouble. The upshot of it was that I was transferred to New Delhi.

Q: Going to New Delhi, what was the problem? Why did you go and why had the other man left?

DONELAN: John Kenneth Galbraith was the new Ambassador to India. He was a close friend to President Kennedy, he really was. I guess the President, as President's are wont to do, told him he could have whatever staff he wanted. Since Galbraith didn't know me from a hole in the wall I've always assumed that the culprit was his Deputy Chief of Mission, a man by the name of Benson E.L. Timmons, III, more familiarly known later in

the Embassy, Bacon, Lettuce and Tomato! I had known Timmons briefly in Paris,, where he had been deputy chief of the aid mission to France. And I suppose that was how my name got there. So we arrived in Delhi in I guess August 1961, and I was Counselor of Embassy for Administration. That was an exciting time.

Q: How did Galbraith operate as an Ambassador from your vantage point?

DONELAN: Actually, I liked the way “Professor” Galbraith as the Indians always called him, operated. He was the Chairman of the Board, he had a staff and he expected them to operate with a certain amount of initiative and independence, and he had a Deputy Chief of Mission to whom he delegated all of the day to day operations of the Mission. This was the preferred way for a “political” Ambassador to operate, that is by delegating the usual stuff to a career Deputy. Galbraith functioned very effectively; he traveled the country widely; he met with and knew countless Indian officials, and certainly had complete access to the highest levels of government. If the operation had any weakness it was the manner in which his deputy worked; and to a considerable extent the deputy was the one who discouraged initiatives and individual judgments, but this mostly was a result of his insecurity.

It was the conventional wisdom that early in his tenure, the Ambassador was inclined to be overly impressed with the requirements/demands of the Indians, but that didn't last as he quietly adjusted his own attitude after sufficient exposure, and I guess toward the end of his tour he perhaps was more inclined to shake his finger at some of the plaints rather than being convinced of the need. He was terribly skeptical of the professionals and the career Foreign Service Officer in particular. And he may have had good cause for that, but I don't know. He personally wrote short, terse and classic cables to the Department which frequently became conversational pieces. (And yes he had a good personal relationship with President Kennedy, and yes on occasion he would pick up the phone and call him at the White House). In terms of personal relationships, once he decided you knew what

you were doing, that was it until you might prove otherwise. I guess I had been there for a week when a disaster cropped up somewhere in that vast country.....

Q: Famine or earthquake or flood?

DONELAN: As a matter of fact, as I recall it was a flood - and areas of India almost always flooded after the monsoon season, and with great damage to life and property. The Ambassador called me and said “We've got to give the Indians $50,000 or $60,000. The United States is rich and they expect us to help out in this catastrophe. So I want you to draw a check right now”. And I said “We can't do that”. Well, the simple matter of fact is that American Embassies, no matter how big they might be, never have been known to have 50,000 or so dollars hanging around loose in an allotment account which at any given moment could sustain that amount. I did remember that there had been a mechanism provided in the foreign aid appropriation, under which in case of an “emergency” an Ambassador could draw down an amount up to $50,000 without prior approval of Washington. But that had been a couple of years ago, and verification of the authority would be prudent. He didn't like anybody to tell him what he couldn't do, but then I told him if I could have twenty minutes or so to check something out, I thought it might be done. I did check it, it was still a valid authority, and it was done, and the Ambassador called the Prime Minister and notified him of the gift. From then on the Ambassador didn't expect me to do everything right away, but twenty minutes or so later was okay. He was a fascinating man, renowned in his own right as an economist, a forecaster of the '29 depression, a facile writer of books, and a great conversationalist, although some people said he did most of the conversing. But I think he was a good Ambassador and a very successful representative of the President and US interests.

Q: How about your dealings on your side as administrative officer with the Indians because you must have had probably more contact with the Indian bureaucracy than anybody else in the business? How did this work?

DONELAN: I dealt with the Foreign Ministry, and with various other officials of the Indian government on a continuing basis - principally in the areas of immunities and privileges of American personnel in the Mission (Mission being, Embassy, AID, USIS, Military Attach#s, Agriculture and Commerce, Treasury and other assorted US representatives, and after the invasion of India by the Chinese Communists in connection with the USMSMI (U. S. Military Supply Mission, India) accreditation and diplomatic status, free entry of personal and official materials, diplomatic pouch, and diverse other instances - e.g., an official American is in an automobile accident - and what to do about it? Etc.

The Indians were always very picky on everything we did in this area, part of it understandable sensitivity, part of it their nature, and their bureaucratic operation, which probably was the worst I'd ever seen (not that we're simon pure), and part of it other Ministries such as Finance, resenting the authority of the Foreign Affairs people. (And that happens in all governments!)

We had a good American School starting up and we needed a lot of equipment, for instance microscopes for the labs in the High School. And they said: “Well, you must pay duty on these things”. And the duty of course was about five times the cost of the item in the States. Since they were adamant, we simply changed the name of the addressee, and had the stuff consigned to the Ambassador personally. So the Ambassador got these huge supplies and equipment, and they never fought it. But there was a definite technique in working with the Indians, which once learned, was quite effective. I remember when I first heard the term “red tape”, I thought it was sort of a joke, but I learned that it originated with the British in India, and that their students, the Indians learned their lessons very well.

And you can actually see “red tape”. Quite contrary to the American penchant for making five copies of everything; the Indians made no copies of anything. They registered documents in and out but they never made copies. As a paper moved from office to office and as each unit or office made its comments or gave an approval or disapproval, the new piece of paper was added to the file so that in a remarkably short time on its way through

the bureaucracy, the bundle of paper was tied together with “red tape”. So you learned that there was a natural progression through certain ministries from this desk to this desk and to this desk. And you discovered that if you got to know this man very well on any one of these items, he could always call up a document from lower down in the chain. So this is the way it worked. You found out who was closest to the Minister, or the Minister, and you went to him. And automatically you could save three or four weeks on anything that had to be processed through the government.

And then there was the Chinese invasion of India. That was a very busy time for the Counselor of Embassy for Administration. Later on I said that I thought that the invasion of the American Supply Mission to India was much more difficult and troublesome than the actual invasion of India by the Chinese.

Q: How did you as Administrative Counselor, become involved with the Embassy efforts during the India and Chinese War?

DONELAN: The Ambassador could see what was happening - with the Chinese threatening and posturing on the northern borders and the Indians pretty much defenseless particularly in the mountain conditions - although the Indians had made pretty short work in '61 of Goa, the hapless Portuguese enclave in warm southern India.The Ambassador wanted help and he wanted it quick from the US. The President sent Averell Harriman out with a special mission - which included a four star general, the chief of the newly organized “Strike Command”, headquartered in McDill Field, Florida. There were about twenty people in the party which included Harriman's aide, Bill Sullivan, a fairly junior officer at the time, but who later was Ambassador to Manila and then to Tehran.

This was in November 1962 - we were having our little Chinese Communist invasion and the US was having its “Missile Crisis” in Cuba (October '62?). All of the Harriman group and most of the “Country Team” members had Thanksgiving Dinner at the Galbraith's - we all pretty much sat around on the floor, kicking around courses of action and what

should be done when. It really was typical of the Indians that in later discussions, they were adamant as to what the planned assistance group should be called. At this point the US quite commonly had MAAG - Military Assistance Advisory Groups - in many countries whose function was to provide technicians and technical training and support, including supplies and equipment, to the host country military., The mission to India was identical but the MAAG name was felt by the Indians to be an affront (to their dignity?) - so it became, as I indicated earlier, USMSMI.

First thing we got on to was arranging radio frequencies for the flow of American aircraft, which was to and did airlift supplies and equipment into the country. This was pretty much handled by Bob Richardson, Embassy Communications Officer. It was decided over the next few days that the group would require a staff of about ninety people. And that's where we were totally involved. When they said they would need office space (obvious) the Ambassador said " Joe, you take care of it." And this was followed by need for temporary quarters, people coming and going on TDY (I leased a small hotel); by housing, which was set aside in a new residential area of town, mostly by pulling and tugging with the Indians, this for the sort of permanent staff, and then of course furniture and stuff to make the houses habitable -which I might add included putting in Western style toilets, and stoves and refrigerators and of course air conditioning, etc. So that's the way it worked. And that was my part of the thing and we did it.

Q: I hadn't realized that we'd had such an extensive military assistance effort in India.

DONELAN: Yes, actually we did, not nearly as large as in many countries, but there for a fairly extended period of time, in fact long after I left the post. As is understandable, politics of relationships was involved; remember that up until that time Mr. Nehru had been very pious about his non-alignment, and was not averse to sticking his finger in our eye on occasion. This was a breakthrough; he needed help and the US provided it. It was a fairly short lived invasion and I believe the Chinese accomplished exactly what they wanted - which was to humiliate Mr. Nehru.

We in the Embassy were watching to see if the Chinese would use aircraft to bomb Delhi - they never did. But we put up blackout stuff and lights were dimmed in the city. I didn't think they had any intention of doing so. I made an observation at a meeting and some people were pretty upset with me for saying I didn't think the Chinese were coming at all. I wasn't pretending to be a military expert, I just felt that the Chinese were too smart to conquer India, because if they conquered India they'd be responsible for all these millions and millions of people. It would simply destroy the whole Chinese Communist movement. But they did march into India, they pushed some military units around, they spiked some artillery, and then left, just like that.

Q: Well, I want to keep going on. You went to the National War College from 1963 to 1964, and then you became Executive Director of the.....

DONELAN: Arms Control and Disarmament Agency

Q: What did that involve?

DONELAN: Essentially the responsibility was that of chief administrative officer of the Agency. ACDA was an independent Agency of the US government; it had it's own budget; it's own staff; and principally was a planning and negotiating arm of the Executive Branch in the field of arms control and disarmament matters. The Director of the Agency, at that time, William C. Foster, reported directly to the President, but for foreign policy guidance he reported to the Secretary of State. The Agency was housed in the Department of State building.

The staffing of this small group was unique. One group of very bright, sharp young men, some scientists from academia and industry, mostly physicists - some with intelligence backgrounds, some having been involved with atomic weapons for most of their young lives. Countering, was a group of military, fairly senior military people, all of whom were involved in some way in strategic planning and nuclear weapons and nuclear

defenses, offensive and defensive weapons. And then the Foreign Service people who essentially were experienced political officers. Jacob Beam who was Assistant Director for Political Affairs, had been Ambassador to Moscow and Ambassador to Prague, a very distinguished career office. So you had this mixture of the scientific types, the military and the State Department, really remarkably able people, who were held pretty much together through the skills of the Director and his Deputy. A separate adjunct to the Agency was the President's Disarmament Commission which was chaired at that time by John J. McCloy, one of the “Wise Men” of post war US bipartisan foreign affairs policy.

Q: Did you find that you had problems operating within the Department of State because you were housed in the Department of State? Were you appreciated or not?

DONELAN: On the appreciation side first, sometimes there is a real doubt if there is any such thing in government as appreciation; however, the physical location in the Department of State was appropriate - we had senior career officers who were well known to others in the geographic bureaus with whom a great deal of clearance work had to be conducted, the agency was a little bit of a thorn in the side of the military and the Atomic Energy Commission was not wild about this crowd who got to be in charge of all the important international negotiations.

We had no great problems on the operating side except practical and physical limitations. Bill Foster, understanding how the bureaucracy worked shortcut a lot of those things quite effectively, had a very good rapport with William J. Crockett who at this time had become Deputy Under Secretary for Management.

Q: But did you sort of steer him in that direction?

DONELAN: No, I didn't have to, he was well steered before I got there. Early on Foster had gotten a commitment that career officers would be assigned to ACDA. He had an agreement with Crockett that the Service would provide the Executive Director for the Agency, with the understanding that the individual had to get involved, learn something

about weapons and scientific research in the nuclear field (ACDA had a fairly substantial contract research program), as well as having Administrative experience. Actually well before I finished my tour at the National War College, it had evidently been agreed that my next assignment would be with ACDA, about which I had rarely heard and knew less about. I don't know what might have been better and I'll never know, but I later found out that William O. Hall, now Deputy Administrator for the AID operation, wanted to give me a try as a Mission Director for an AID operation overseas. That would have been interesting too - who knows what might have happened. Part of the fascination of the Service?

In retrospect of what we've been talking about for these hours, it occurs to me that anyone listening might get a funny idea as to how the Foreign Service worked. Particularly when these same names keep popping up. Fundamentally, I was sort of a junior contemporary of these people. I had been fortunate in all of my time in the Dept., getting promoted, sometimes not as quickly as I thought I should, but sort of making it in a system which really was quite competitive. Simply stated, the selection process for the Foreign Service Officer Corps was, promotion up or selection out, a system frequently likened to the Navy system.

Every year every officer of every grade was ranked by a selection board of his peers. If you fell in the bottom five percent once, you were warned you were in trouble. If you fell in the bottom five percent twice, you were out. And the FS Act provided for early departure with a pension on which you would probably starve, but that was the system. I would never say the system was perfect, but on the whole it seemed to be fair and equitable, and when you entered the Service, that's the basis on which you accepted your commission. Probably more important in the scheme of things was that over time, even though the organization was relatively small, it was possible to have a variety of assignments through which you could develop good reputation for knowing what you were doing, and a willingness to get in there and push to get the job done. You built up a sort of demand for your services. And frankly I believe I've been very fortunate in that respect.

Q: Within the Department there is the term “corridor reputation”. You knew who could get things done and were particularly good. I think this, in a way, has a certain amount of meritocracy that has always operated particularly in a small operation. And, of course the higher you get the more this will work and always will work.

DONELAN: Yes, that is true. Another facet of that is personal relationships or as they say - inter-personal relationships in any career; how you get along with your superiors, your peers and yes, very important - your subordinates. I've mentioned Bill Hall a lot. As a matter of fact over time I learned a lot from my bosses. The budget business in any agency is very demanding. Bill had a great secretary...and for the time when we worked closely together I noticed, every night, and particularly after a tough day, as he was leaving or his secretary was leaving, he would always say “Thanks”. And you know a lot of people in government never say “thanks” - somehow or other they don't think it's necessary, but it is. We've all had them but off-hand I can thing of two dissimilar situations where personal relationships proved their importance. During my time in Nagoya, we got a wire from a ship at sea - it had a smoldering fire in a hold and it was bringing a cargo of small tractors and raw cotton to the Nagoya port. To make it worse one of the ship's crew had gone berserk, and they had to forcibly restrain him. He was a danger to the ship and the few passengers they had, and they wanted to off-load him at Nagoya. After the war the Japanese had re-written their immigration laws, and they had borrowed heavily from the body of American law. You will remember that flat out we prohibit entry into the US of insane persons. The man had tried to set another fire on the ship before he was sedated and locked in his cabin, and the skipper was fearful of the safety of his ship. I checked some of my contacts and found that the only one who might possible be able to help was the District High Judge (in later years he became a Justice of the Japanese Supreme Court). He said “you know what the law is. We've copied your law down.” I said, that I understood that fully, but if I personally take full responsibility myself for this man, he will really not technically have put his foot on Japanese soil, and therefore he technically will not become the responsibility of Japan. He said, “Well, I understand your reasoning, but our law is very, very strict.

However, if you will give your personal guarantee that he not stay in Nagoya more than one hour, I would consider that under your personal bond that we could release the man from the ship in your custody." We arranged to have an airplane at the local airport; when he came off the gangplank we bundled him into the Consulate car; put him on the airplane; he was flown to Yokosuka, and whisked off to the hospital on the American Naval Base. That's one side of personal relationships, which helps get the job done. Another one, a little different involved an incident in India. Under Department regulations when a seriously ill employee is to be evacuated by air, you may send a medical attendant along with the person, usually the Embassy nurse or doctor if there is one, and in extreme cases you may also send two persons. An AID employee was seriously ill and to be medically evacuated to the military hospital in Frankfurt. The Embassy nurse was already away on a trip, the Embassy doctor was himself seriously ill, so we decided to send the man's wife as his medical attendant - something which had been done before. Their little girl, maybe four years old was going to stay with my family (four girls). At the last moment the child panicked and became hysterical at being left behind by her Mother and Father. The flight was waiting at the airport, we had no travel orders, no authority to send the child. So I had orders written and the four year old child became the second medical attendant. For some time after that I guessed that the Department's medical people were very unhappy with me. A couple of weeks later I got a letter from the same William J. Crockett we've been talking about. It was very short. It said " Dear Joe, why did you do it?

So I wrote him a letter back and said, "Dear Bill, if you had been here, you would have done the same thing". I never heard another word about if.

Q: It's the oil that makes the system work in a positive sense.

DONELAN: It's like the National War College. The greatest value of the War College to the Department is that in the succeeding years a good number of your class-mates are going to be generals or admirals. That's a fact since the military sent to the National War College are selected on that basis. So the value is that two years later you can call up Charlie,

who is now a rear admiral, and you tell him - “We need a medical evacuation plane out of Burma, can you help us? They can help and it sure beats writing a letter through channels. That's what makes the world go round, and sometimes makes it a better place.

Q: Let's move on to when you were a comptroller for NATO. How did this assignment come about and what were you doing? This was the assignment of going to Brussels as the NATO Comptroller.

DONELAN: Actually, more specifically, it was Comptroller for Infrastructure. The Infrastructure Program, as the name implies, was the North Atlantic Treaty Organization oversight of all the physical facilities necessary effectively to commit the NATO forces in time of war. It included air fields, docks, warehouses, various communications facilities, missile sites, training facilities, etc. There was an Infrastructure Committee, a standing Committee of the North Atlantic Treaty Council, which had a fourteen nation membership including France, and of which the Comptroller for Infrastructure, was the Chairman. I was actually seconded by the Department to the position, which in itself, was an international civil servant position. (And no, in the case of NATO, by special arrangement, it is not a tax-free position). This was in July of 1968, after three years with ACDA and one year in the Foreign Service Inspection Corps. My staff consisted of both financial and engineering personnel, the latter civilian experts on military facilities, weapons and equipment. I learned something new every day. Understandably the military requirements were determined through the NATO military chain of command, through the NATO Military Committee to the NATO Council for approval. Financial estimates were made as the projects moved up the line for acceptance, and the whole became a projected yearly program (a tranche) with that year's funding approved by the respective national representatives. As the projects moved forward to final acceptance and contracts they were subject to final engineering and cost review by the Infrastructure Committee, whose members operated under instruction from their own governments. The Comptroller for Infrastructure as the Chairman of the Committee was in a unique position, in that he controlled the agenda of the Committee and the flow of projects past the members, and no

project went forward finally without the sign-off of the Infrastructure project engineer. The Committee met all day twice a week in all day sessions listening to engineering studies and hearing presentations by the national representatives as to urgency of their particular projects. Norway for instance might want a new deep water dock in one of the fjords, with all sorts of electronics and provision for submarine nets, etc. Greece could be pressing for a new missile site which was a training site for NATO, and of course there was a lot of back scratching. The Comptroller was sort of in the middle because he had to try to negotiate some of these things out. So you spent as much time outside the council room, on projects as you did in the formal area.

Q: Can you think of any other examples?

DONELAN: It was simply a way of doing business as anything else, and I suppose this type of thing goes on everyday in the UN and no one thinks anything of it. But it was my first exposure on a multilateral or regional basis. I also noticed over my two years in that assignment that when there was an incident or some kind of international tension going on, some possible emerging threat, everyone became wonderfully more cooperative. When things settled down and were running more smoothly or quietly, the old competitive spirit came right back into play. But don't misunderstand me. This program was real, and I was very proud to be associated with it. It was the most real life thing NATO had going. You can conduct exercises and you can make plans and you can set up targets, but by gosh if you don't have those airfields and bases and sites, you had nothing to launch from and nothing to come back to.

Q: Moving to your last tour with the State Department. You had essentially a series of positions, didn't you?

DONELAN: Yes, two really.

Q: This was starting in '69. What was your job?

DONELAN: The first was Deputy Assistant Secretary for Budget and Finance, which was followed by a presidential appointment, Assistant Secretary of State for Administration. However I left NATO with great reluctance personally and amid a bit of a storm. On the one side was George Vest who was Deputy Chief of the US Mission to NATO and Manlio Brosio, a distinguished Italian diplomat, who was Secretary General of NATO, with whom I had developed a good rapport. Brosio was very irritated with the US cutting short my assignment (the job called for a five year assignment) saying that by doing so the Department was belittling the importance of NATO. George Vest supported Brosio, and I cheered unavailingly from the side lines, after having told the Department that I didn't want the assignment, and that I thought I could do more for the US by staying at NATO. I wasn't being simon pure, just that I was having a great time in a fascinating job.

What happened was that President Nixon came out to Brussels for a heads of state meeting; Frank Meyer who was at the time Assistant Secretary of State for Administration was with him, and I might mention just as a matter of interest, the now Senator from New York, Daniel Patrick Moynihan was also there in his capacity as an advisor to the President. But anyway, Frank and I were old friends and were having lunch when he told me that his Deputy for Budget and Finance was retiring and he would like me to take the job. I told Frank that I was flattered but I really didn't want to leave NATO. I felt the job was important for a lot of reasons; 39 cents of every dollar in the NATO budget was contributed by the US - and not being partisan, but just being objective I could help to assure that we got our money's worth. The work was interesting; I even had taken one Committee trip where the group was hosted by the German government; we had been helicoptered along the border and then had landed and seen the Iron Curtain first hand. It was a fascinating experience and I was looking forward to other opportunities for travel to NATO countries to see some of these projects first hand. And not the least of it all, for the first time in my foreign experience, someone was giving me administrative support - the Embassy in Brussels. I had a lovely house in a suburb of Brussels, just twenty minutes from the NATO headquarters. The best of all worlds. I almost convinced myself that I had convinced him.

Several weeks later I was with my family in Germany, at Garmisch, on a long planned visit, having dinner when the waiter told me I had a phone call -He said “Someone from Washington”!

So I came back as Deputy Assistant Secretary for Budget and Finance. It was a pretty busy two years, I thought, and then Frank Meyer retired in the spring of 1971.

It was customary to have a career man in that Assistant Secretary job. It made a lot of sense, not because I got the job, but it did - you knew the Foreign Service as well as the Dept.; you'd been at the posts abroad; you'd experienced the problems of communications and supply and logistics - that's what you had been doing. As a matter of fact the Department of State was quite unique at the time....most of the Assistant Secretaries of State were career officers, in fact had a dual capacity as presidential appointees and career officers (you took the salary of the Assistant Secretary which was greater). A lot of that has changed. In the recent administrations more and more straight out political appointments have been made at that level and in fact there are just a lot more jobs filled by political appointees. We can thank Jimmy Carter for greater politicization in the Executive Branch by pushing the so called Senior Executive Service, and Senior Foreign Service, a movement heartily endorsed and followed by Ronald Reagan.

Q: What were your responsibilities when you were Assistant Secretary?

DONELAN: The organization chart showed the functions of budget and finance, communications, security, operations (supplies, equipment, transportation), each headed by a Deputy Assistant Secretary and the Office of Foreign Buildings, headed by a Director. The heaviest responsibility was in the budget function, planning, formulation and execution. You were the principal liaison with the members and staff of the Appropriations Committees, on both side of the aisle, House and Senate. Of course before you got to that point you had to work with the Office of Management and Budget, which had an annoyingly arrogant manner of operating, a constant tug of war in which they nit-picked

and you pushed to keep intact the monetary magnitude of the budget. In spite of the high sounding things, some very simple things were really important. Like going up to the Hill at least once a week for coffee with the chief clerks of the House and the Senate Appropriations Committees. These men knew each other very well; they were sharp, congenial, and to a large extent they controlled the direction of the Hearings.I was still necessarily interested in the fiscal side, which was less demanding but important in controlling spending and accountability of funds through the apportionment and allotment process. I had learned a long time ago that you always tried to avoid surprises where and how the money was being spent.

Q: Other things follow.

DONELAN: You've got something there. The second thing was communications. There were tremendous strides in communications in the Department over a period of time. There were some very, very good communication innovations in that period. It was fascinating to see the developments and the money that went into them - but communications were the sine qua non of any world wide operation. Interestingly enough once we got off the dime in arguing for greater communications capability, John Rooney over a several year period supported the increased funding.

When I was in Delhi, it took all sorts of time just to get a message from India back to the Department. Even by radio, it was a terribly slow process because it went relay, relay, relay. But there were all sorts of sophisticated developments in communication in the 60's and later. This was not only great for substantive operations but also for administration and particularly finance. Later when you could tie your computers into your electronic network you had arrived in the 20th century. Operations was the supply function; procurement, shipment, transportation, equipment and maintenance, with probably the biggest headache the world-wide fleet of vehicles which had to be purchased, maintained and operated, with all sorts of funny congressional limitations.Then of course you had the Foreign Buildings Office, responsible for all of the overseas housing and building

operations of the Dept., including acquisition of land and construction of new building. There was a man by the name of Fritz Larkin who was in charge of FBO right after WWII. The US had vast credits and surpluses of foreign currencies, which were available for use without appropriation for official purposes. Fritz Larkin traveled far and wide and acquired real property which he paid for in local currencies of the country - and which at the time were almost a drag on the market for any other purpose. At times he was roundly scolded and berated by the Congress, who piously pronounced that the Department of State was not in the real estate business and should cease and desist from such activities. The real fact of the matter is that Larkin did a great service. For years after the US government used the real property acquired for it by Larkin, on which to build the buildings for the burgeoning foreign operations of all kinds. If the land wasn't used directly it was traded and/or sold.....frequently at considerable profits which were permitted to be retained in the no-year appropriation account, for future uses.

Q: At one point people in the Foreign Service talked rather disparagingly about FBO, saying this was a creature of Wayne Hayes, who was at that time a very powerful congressman. And it really wasn't a very competent organization. In actuality, how did you find it?

DONELAN: After I retired I was asked, not by FBO but by A, at the time my successor John Thomas was still Assistant Secretary, to come back and do some studies of housing and building requirements in a number of countries overseas. I used to joke about it and say, “Well, I've come back to do this in expiation for the fact that I never did as much as I had hoped that I would do when I was in A, on the foreign building side”. The situation you refer to was not a healthy one. It began to develop after the time of Fritz Larkin - I'd say about in the early '50s. A Foreign Service Officer, was the Director of FBO. He was outspoken and determined and stubborn and very knowledgeable all in one, and really took a stand with the Committee (of which I believe Wayne Hayes was Chairman at the time). He bullied Bill Hughes and Bill wouldn't be bullied. Hayes called off the Hearings and said there would be no Hearings and no FBO appropriation, in effect, until Bill Hughes

was moved. It was not a great moment for the Department of State. And over time there were other such moments. The personal challenge which I guess every responsible officer faced sometime or more often in his career, was to his personal standards and the point at which his own self respect kept him on the course of action he knew was right.

Q: What was in it for him, Wayne Hayes?

DONELAN: It was a power thing. This happens to these people, sort of an exercise in power.(Like Senator Helms nowadays who will hold up career appointments for the most outrageous and trivial reasons.) He controlled the authorization bill for the Office of Foreign Buildings - which strangely enough was separate and apart from the regular authorization and appropriation acts which funded all other State Department activities.He was a tyrant in his own way, and as I recall in later years he also was in charge of Administration in the House and made himself obnoxious to his peers in the House. Controlling the overall level of funding and the authorization level for new buildings abroad, gave him a marvelous reason for traveling abroad almost whenever he wanted to, and he loved it, and I will be eternally grateful that I never had the chore of accompanying him abroad.

Once he forced the issue with one FBO Director, for the rest of his time in Congress, he insisted and at least influenced the selection of the Director.

I had one classic experience with the man. The then Director of FBO wrote me a paper and said that he wanted to revise the long term leases of four or five of the US Consulate buildings in Mexico. These leases were for more than ten years, and as I recall maybe three or four years had gone by on them, and now he's recommending they be revised, upward, naturally. These buildings had all been built by a contractor who was at least an acquaintance of Wayne Hayes. I never did know who made the decision or when to have them constructed with the commitment to long term lease these buildings. It was more the practice of the Department to construct and own rather than long term lease. I just sent the memo back with the note that” they should show me some proof and justification as to why

these leases needed to be revised, or rewritten because of change in fact or circumstance or additional performance by the owner which might justify the change". And if they could I would take another look.

So the next day I got a phone call from the Congressman's Office - he'd like to see me. What a coincidence!

I'm a great believer in regulations, simply because regulations are made to be changed, they simply are interpretations of the law, and the better you knew them, the more you could make them work for you. There was a finding which had been made some years earlier by the Comptroller General on contracts and revision of contracts. I put a copy in my pocket and went up to see the Chairman. And I sat there for thirty minutes listening.

I was listening and thinking to myself."I don't like this guy, but he's a very smart man, I know what he wants, but if anyone was taping this conversation, they'd be hard put to prove that he was twisting my arm to authorize revision of the leases. He told me how patriotic the man was; how he had dual American and Mexican citizenship, and how he had been in the American Army during World War II. I told him I understood and realized what the problem was, but that I was constrained by a Comptroller General's decision - and the justification I had heard from my staff unfortunately could not meet the CG's requirement. I gave him a copy of the ruling, but as I recall he didn't even look at it.

Q: You reached into your pocket and showed your regulation?

DONELAN: Actually his regulation, since the Comptroller General reports to the Congress. I knew he was furious with me, but he never showed it. He wasn't about to. But I didn't hear any more on the subject for some time. I guess that must have been around December of '72.

I retired from the Department in April 1973. At the end of that summer I was in New York having gone to work for the Institute of International Education, when I received a phone

call from the Foreign Service Inspectors. And they said.: Hey, Joe, we were doing an inspection in the Department of FBO, and we saw this thing where all these leases down in Mexico had been revised.

And I said, “You What”!

And they said, “ Yes we saw where all the leases had been changed and signed.” But they said, “ But we don't understand this, because in going through the files we found a memorandum which was written to you last December or November and it was from the head of FBO to the Assistant Secretary A and across the top there were two words. It said 'Hell, no! And your initials. And now here next September or October of the following year, it's all done”. And they said, “ We don't understand that.”

And I said, “Well, unfortunately, I think I do. I retired from the Department in April 1973”.

Q: You were there during the time when we were beginning to phase out during the Vietnam War. Did this have any effect on what you were doing? Or did you have much to do with it?

DONELAN: No. That essentially was handled as a special entity. The Cords program, recruitment, training, operation, all special budgets and special funding. We got into things occasionally on the fringes - on occasional problems on which we were expected to help out. But fundamentally no, although it was an integral part of the Department of State operation.

Q: When you were there the Deputy Under Secretary for Management was William Macomber, wasn't it?

DONELAN: Yes, that's correct.

Q: How was he as a leader as far as you were concerned?

DONELAN: Well, Bill is a very, very intense man. Do you know him yourself?

Q: I just knew him vaguely.

DONELAN: As a matter of fact, we talked about Wayne Hayes, and that incident I told you about Hayes. Bill called me shortly after that and he said, “Oh, by the way, if there's any topics to be taken up with Wayne Hayes, let me know, I can take care of him. Why don't you just let me handle him from now on”. So, I said,”Fine, suits me fine”. As a practical matter I don't know of anything that came up with Hayes in my remaining time, I retired in April 1973, as I had planned (age 55). and shortly thereafter Bill went off somewhere as Ambassador. I don't believe I ever met anyone who worked harder than Macomber. When he first got the job sometime before I returned to the Department he knew very little about budgets. When I first returned from Brussels that was my principal area of responsibility and we had some very intensive sessions. There are a lot of technicalities in budgeting and there's a lot of gobbledygook, and there's a lot of bureaucratic terms, regulations, OMB, Treasury requirements, etc. He had a lot to learn. He'd call me up on a Sunday afternoon before a hearing and we would talk on the phone for hours, going into this and that, and what is that and why. And then we used to have regular sessions at 7:00 in the morning to get ready for Budget Hearings.

Actually I had a feeling of some disappointment in the last couple of years in the Department I believe, in retrospect that Macomber didn't want any great initiatives from the Assistant Secretary. In other words, whatever was done, he was going to do it. I don't know if you've interviewed him or not.

Q: Eventually, we hope to. One other question dealing with the relationships, we were talking about at lunch, and I would like you to mention a little here about Graham Martin because Graham Martin was our last Ambassador to Saigon, and a very controversial person, particularly his method of operation within the Foreign Service context. I would like

to have your impressions when you dealt with him. This is going back. But whenever you dealt with him.

DONELAN: I had and have the highest regard for Graham Martin, and the greatest respect for his great talent. I believe I had an excellent background and considerable experience in administration when I went to Paris, but I was brand new in the Foreign Service. Graham was Counselor of Embassy for Administrative Affairs for the Embassy, and uniquely also had some regional European responsibility, as well. I watched that man for a number of years, and worked with him very, very closely, and my admiration for him has never been diminished. A lot of people have said that he was aloof, even a cold fish, which was a rather harsh way to put it. He might have given that impression. But he wasn't. He was distant; he usually was very precise, always soft spoken, always courteous; was very firm and could be cutting, but when he was, on reflection, you could be sure that it was justified - in fact I would say, probably calculated. No question but he was a complicated person.

I recall one incident which occurred some time before I arrived at the Embassy involving a foreign service inspection. As I understand it the Inspector had very harshly rated one of the Embassy employees, a secretary I believe. Martin evidently did not agree with the assessment, protested the action, and fought it all the way back to the Director General, and won. During my time another inspection was announced, and it fell to me as Budget & Management Officer to shape things up for the coming exercise. I really worked hard at it. And one day he said to me, “If you were an inspector or five inspectors and you came to Paris for five weeks and if you spent all that time inspecting or a third of that time inspecting, or a fourth of the time inspecting the administrative operation (one of the biggest in the world) and you didn't find anything wrong with the place, you'd be mad as hell. In fact you might even be a little disappointed. In fact you might be so disappointed you might have to find something to criticize!” In effect he was saying, relax, don't get so up tight about it, nothing's perfect. In those couple of years I learned a lot of things which

I used from those days forward for the rest of my career. I'm sure however I was never so audacious as he was.

Another thing, he knew the local employees, the foreign nationals. They knew him. There were a lot of young Americans who were afraid of him. But the local employees were not afraid of him. He knew where everything was; where the power lines came into the chancery basement; how many gallons the Embassy emergency water storage tank held, all the vital statistics on the building which might be necessary in an emergency. Ever after whenever I walked down the hall of embassy or consular building my eye automatically recorded whether or not that fire extinguisher was up to date and had been inspected within the last year. Have you ever noticed the inspection cards on the wall of an elevator? He did many things far away and above what an ordinary counselor of embassy for administration would do. And when I say extraordinary I also mean the way he worked with the Ambassador on matters of substance, in France and with several other of the European Ambassadors. I learned from him that when you are in charge and you are the administrative officer you better know your physical plant and you better get out and see people and you better look the place over yourself. You must do this assiduously. And I've noticed over the years administrative people who let themselves get snowed under, chained to the desk, never get out, and pretty soon there are little bits of the place falling down around them.

I also learned how he played on the Department, and I must confess that at times I've used the same ploy. The circumstance is something which needs to get done locally but the Department is really not terribly excited about, but you need to clear it with them. Something like - putting washing machines in the Marine Guard quarters. You send a cable to the Department and you tell them you must have an answer by Tuesday. And you know damn well that they are going to take at least fifteen days to answer you. But you say," If I don't get an answer by Tuesday, I'm going ahead and do it." And of course, no one ever reads that line. So then you go ahead and do it. If someone says something later on, and they usually don't, you say, "I told you I had to have it by such and such a date."

This type of upmanship is a little nasty, but sometimes it was necessary dealing with the Department."

Or a more pertinent instance, you knew that you were within three months of the Department giving you your allocation of funding or staffing for the next year - you sat down and you wrote the best justification, argumentation, updated workload statistics, data, rationale, ambassador support, for this job or that job, or special funding. And it landed on the desks in Washington, just when they're trying to figure out how much can we cut them? Throws them off balance a bit, but it's very hard for them to ignore you at that time, particularly if you have tried to make sense in all your submissions the rest of the year. These are little techniques and they are used in every business. On the personnel side, you learned to take care of the junior officer. If they're with you a couple of years and they don't get promoted and you think they should have been, that they have not been treated fairly, you go to bat for them.

Finally, I've not seen Graham for a number of years, and I know his health has failed considerably. He never wrote the story of those years in Vietnam. I wish that he had. I dearly wish that he had because essentially it ended up sort of being in a cloud, a question mark about some of the things that he did. I know that he was never popular with our military, in Bangkok where he also was Ambassador and in Vietnam. That I understand because sometimes military fervor overtakes common sense, and I know Graham stood his ground with the country commanders on more than one occasion. He would remind them rather archly, that he was the personal representative of the President of the United States in that country and not they. I don't know if for very high political reasons things didn't come out. I just don't know what the answer is. He was at the end of his career, he was very ill when he was evacuated from Saigon. But I'm steadfast in my respect and admiration for him and his tremendous ability.

Q: At the end of these interviews there are two questions they ask. First, what do you feel that you're most pleased with having done or accomplished? It doesn't have to be a big thing, but just something.

DONELAN: I think that I will give you two little things, one I've already mentioned. Even though I personally didn't carry it to it's highest level, I think I am proudest of the Regional Finance Center in Paris.

Q: In Paris, yes.

DONELAN: It was a great satisfaction to me to see it burgeon over the years in size and importance, and become a permanent adjunct of Foreign Service administrative operation.

And the second thing, which was probably my greatest thrill - was one day to find myself - standing in a Buddhist temple in Nagoya - the monks in their robes, the picture of the deceased on the altar, the traditional rice cakes, tapers lit, incense burning, and a large number of people - but no other gaijin present!

As was the custom for very prominent members of the community, the Governor of the Prefecture, the Mayor of the City, the President of the Chamber of Commerce, were called upon to eulogize the deceased. And then it way my turn. And this was the greatest compliment I could possibly have received; being asked by a Japanese to give a eulogy in Japanese, for a Japanese. I said early on, even tho selected for the principal officer slot in Nagoya, that I was not a Language Officer, that is I had never had Foreign Service Institute training in Japanese. However for almost every day of my three years plus in Japan, I took a language lesson in the early morning. A good part of my job was to be present at all sorts of plant openings and other festive occasions. Frequently, more so at first, I'd get myself in trouble - since the conclusion was that the Ryoji-san was fluent in Japanese. He wasn't. He just worked like a dog on some of these speeches - and I figured out over time that it took me three hours of work at night with a tape recorder to give a

good three minute speech in Japanese. Once committed to do it, it had to be right. So that's what I'm proudest of.

Q: That is something to be proud of. The final question is, how do you feel about the Foreign Service as a career to a young person coming up? Would you recommend it looking at it today?

DONELAN: Well I'm of a mixed mind. A career in the Foreign Service is not like having a job, it's a very personal thing - it's a way of life. It will never in itself make you wealthy (money), but it gives you a richness in living which otherwise you might never experience. But what's in it for me seems to dominate a large segment of society today, so if that's where you fit, then the Service is not for you. For others, my answer would be an emphatic yes, and maybe I should just leave it there.

But so much depends on the attitude of the person involved - and the Foreign Service as a segment of society does in fact reflect the nuances and changes in the society as a whole. To illustrate for about eight years I did a series of special projects which brought me overseas (to eleven countries). I was in Tehran just a couple a months before that fell apart.

Q: This is after you retired?

DONELAN: Yes. Immediately after I retired I went to work for the Institute of International Education in New York, as VP for Administration - and enjoyed four years with the organization, took a long vacation and then at the request of John Thomas, who was my successor as Assistant Secretary, undertook to head a series of studies known as the AMAT, Administrative Management Advisory Team studies. But that's not the point. In visiting the various countries I was struck by the difference in attitudes of the Embassy staffs.

One of the Embassies visited was New Delhi, and remember the focus of these studies was housing and office space requirements and developments of master plans for each post. Delhi as a post has a very substantial number of housing units in the compound area, plus fairly attractive housing in the best parts of town. It seemed that everyone was pressing to live in the Compound - the golden ghetto, which had it's own ball field, swimming pool, commissary, restaurant, small hospital. No one appeared to be pushing to live out on the economy - even away from the Compound. In conversations over the several weeks, the subjects which pushed most everything else aside was mostly about - cost of living, pay raises, post allowances, what will my next post be - and the Embassy Compound seemed to be the focal point of social activity. In my years in Delhi it was a quite different focus. People did not want to live in the Compound, the idea was to get out and see the country, vacation in a houseboat in Kashmir, visit odd places, see what the people were like, savor the history around you.

This was a not uncommon set of impressions at the posts visited, although obviously there were different gradations depending on the specific conditions of the country. For instance in Nairobi which had excellent housing - there was unquestionably turmoil in the local situation, which was threatening and in all fairness in some areas the specter of terrorism had to have a pervasive influence. This all comes out probably harsher than the reality, but even back off a few notches and the exaggeration is not too great. But the basic fact is that a person's attitude is extremely important to success in a foreign service career.

And of course one long standing statistic still stands....every year for as long as I can remember, and I heard it quoted again just in the last week or so, the Foreign Service receives approximately twenty-four thousand applications each year. This, whether the US economy is good, bad or indifferent; almost incredible when you realize that each year only a relatively few of the original candidates are accepted into the Service. And the final note - a survey of my contemporaries, almost all retired now, would result in a statement that," We wouldn't trade our experiences for anything".

Q: I thank you very much for this.

End of interview